

DE 12-296



Class II REC Eligibility Application

Favorite Foods Inc.
140Kw Photovoltaic System

Revolution Energy LLC
208 Market St. Suite 30
Portsmouth, NH
03801

Phone: (603) 319-8152
Fax: (603) 590-8640

DISTRICTED
10/02/12

FOR RENEWABLE ENERGY SOURCE ELIGIBILITY
Pursuant to New Hampshire Admin. Code Puc 2500 Rules

Pursuant to Puc 202, the signed application shall be filed with the Executive Director and Secretary of the New Hampshire Public Utilities Commission (Commission). To ensure that your submitted application is complete, please read RSA 362-F and N.H. Code Admin. Rules Puc 2500 before filling out this application. It is the burden of the applicant to provide timely, accurate and complete information as part of the application process. Any failure by the applicant to provide information in a timely manner may result in the Commission dismissing this application without prejudice.

- Page 1 of 4

(2)

Somersworth

(City)

NH

(State)

03878

(Zip code)

9. Latitude: 15 '38.6" Longitude: 70 54' 36.6"

10. The name and telephone number of the facility's operator, if different from the owner: Same ☐

Chris Barstow

(Name)

(603) 692-4990 x115

(Telephone number)

11. The ISO-New England asset identification number, if applicable: _____ or N/A: ☒

12. The GIS facility code, if applicable: 34,313 or N/A: ☐

13. A description of the facility, including fuel type, gross nameplate generation capacity, the initial commercial operation date, and the date it began operation, if different.

14. If Class I certification is sought for a generation facility that uses biomass, the applicant shall submit:
- (a) quarterly average NOx emission rates over the past rolling year,
 - (b) the most recent average particulate matter emission rates as required by the New Hampshire Department of Environmental Services (NHDES),
 - (c) a description of the pollution control equipment or proposed practices for compliance with such requirements,
 - (d) proof that a copy of the completed application has been filed with the NHDES, and
 - (e) conduct a stack test to verify compliance with the emission standard for particulate matter no later than 12 months prior to the end of the subject calendar quarter except as provided for in RSA 362-F:12, II.
 - (f) ☐ N/A: Class I certification is NOT being sought for a generation facility that uses biomass.
15. If Class I certification is sought for the incremental new production of electricity by a generation facility that uses biomass, methane or hydroelectric technologies to produce energy, the applicant shall:
- (a) demonstrate that it has made capital investments after January 1, 2006 with the successful purpose of improving the efficiency or increasing the output of renewable energy from the facility, and
 - (b) supply the historical generation baseline as defined in RSA 362-F:2, X.
 - (c) ☐ N/A: Class I certification is NOT being sought for the incremental new production of electricity by a generation facility that uses biomass, methane or hydroelectric technologies.
16. If Class I certification is sought for repowered Class III or Class IV sources, the applicant shall:
- (a) demonstrate that it has made new capital investments for the purpose of restoring unusable generation capacity or adding to the existing capacity, in light of the NHDES environmental permitting requirements or otherwise, and

- (b) provide documentation that eighty percent of its tax basis in the resulting plant and equipment of the eligible generation capacity, including the NHDES permitting requirements for new plants, but exclusive of any tax basis in real property and intangible assets, is derived from the new capital investments.
 - (c) ☐ N/A: Class I certification is NOT being sought for repowered Class III or Class IV sources.
- 17. If Class I certification is sought for formerly nonrenewable energy electric generation facilities, the applicant shall:
 - (a) demonstrate that it has made new capital investments for the purpose of repowering with eligible biomass technologies or methane gas and complies with the certification requirements of Puc 2505.04, if using biomass fuels, and
 - (b) provide documentation that eighty percent of its tax basis in the resulting generation unit, including NHDES permitting requirements for new plants, but exclusive of any tax basis in real property and intangible assets, is derived from the new capital investments.
 - (c) ☐ N/A: Class I certification is NOT being sought for formerly nonrenewable energy electric generation facilities.
- 18. If Class IV certification is sought for an existing small hydroelectric facility, the applicant shall submit proof that:
 - (a) it has installed upstream and downstream diadromous fish passages that have been required and approved under the terms of its license or exemption from the Federal Energy Regulatory Commission, and
 - (b) when required, has documented applicable state water quality certification pursuant to section 401 of the Clean Water Act for hydroelectric projects.
 - (c) ☐ N/A: Class IV certification is NOT being sought for existing small hydroelectric facilities.
- 19. If the source is located in a control area adjacent to the New England control area, the applicant shall submit proof that the energy is delivered within the New England control area and such delivery is verified using the documentation required in Puc 2504.01(a)(2) a. to e.
- 20. All other necessary regulatory approvals, including any reviews, approvals or permits required by the NHDES or the environmental protection agency in the facility's state.
- 21. Proof that the applicant either has an approved interconnection study on file with the commission, is a party to a currently effective interconnection agreement, or is otherwise not required to undertake an interconnection study.
- 22. A description of how the generation facility is connected to the regional power pool of the local electric distribution utility.
- 23. A statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standard and proof thereof.
- 24. A statement as to whether the facility's output has been verified by ISO-New England.

25. A description of how the facility's output is reported to the GIS if not verified by ISO-New England.
26. An affidavit by the owner attesting to the accuracy of the contents of the application.
27. Such other information as the applicant wishes to provide to assist in classification of the generating facility.

28. This application and all future correspondence should be sent to:

Ms. Debra A. Howland
Executive Director and Secretary
State of New Hampshire
Public Utilities Commission
21 S. Fruit St, Suite 10
Concord, NH 03301-2429

29. Preparer's information:

Name: Bob Lambert

Title: Project Associate

Address: (1) 151 High St. #4

(2) _____

(3) _____

Portsmouth

(City)

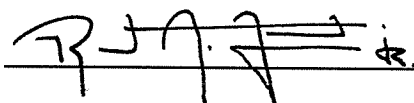
NH

(State)

03801

(Zip code)

30. Preparer's signature:



Application for Renewable Energy Source Eligibility

13.

The facility is a commercial building located at 29 Interstate Dr. Somersworth, NH. The system is a photovoltaic system with a gross nameplate capacity of 140KW DC-STC. The array is comprised of 572 Kyocera 240w panels, and 2 PVP 75 KW inverters.

The commercial operation date of the system is 8/2/2012.

14 - 20.

N/A

21. The Interconnection agreement and supporting documents are attached immediately following the affidavit at the bottom of this application.

22.

The generation facility is connected to the regional power grid (PSNH) using a UL 1741 listed, Advanced Energy PVP 75kw-480V.

23. The facility has NOT been certified under another non-federal jurisdiction's Renewable Portfolio Standard.

24.

The facility's output is NOT being verified by ISO New England.

25.

The facilities output is reported to the GIS through means of an independent verifier. Tom Kelly is the New Hampshire approved independent verifier of this system.

26.

Affidavit

I attest under the penalty of perjury as to the accuracy of the contents of this application.

Owners Signature:  Date: 9/28/12

Public Notary  Date: 9/28/12



Bob Lambert <blboblambert@gmail.com>

Fwd: #N2470 Favorite Foods PV (Somersworth) - Authorization To Interconnect

1 message

Clay Mitchell <clayaz23@gmail.com>
To: Bob Lambert <blboblambert@gmail.com>

Thu, Sep 27, 2012 at 4:58 PM

Bob,

Email below.

clay

----- Forwarded message -----

From: <michael.motta@nu.com>

Date: Wed, Sep 26, 2012 at 12:18 PM

Subject: #N2470 Favorite Foods PV (Somersworth) - Authorization To Interconnect

To: Chris Barstow <cbarstow@favoritefoods.com>

Cc: Clay Mitchell <clayaz23@gmail.com>, Jon Spencer <jon@rev-en.com>

Dear Chris,

Enclosed for your records is a fully executed copy of the Generator Interconnection Agreement entered into by and between Favorite Foods Inc., and Public Service of New Hampshire (PSNH).

The facility has met all PSNH requirements for parallel operation with the PSNH electric distribution system, and you are authorized to interconnect.

Please contact me should you have any questions or require additional information.

Sincerely,

Michael D. Motta

Senior Engineer, Supplemental Energy Sources

780 North Commercial Street

Manchester, NH 03105

Office: 603.634.2920

Fax: 603.634.2449

Michael.Motta@nu.com

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2 attachments



#N2470 Favorite Foods PV.pdf

1077K



#N2470 Favorite Foods Inc. PV - Interconnection Report.pdf

886K

GENERATOR INTERCONNECTION AGREEMENT

This INTERCONNECTION AGREEMENT, dated September 17th, 2012 by and between Favorite Foods Inc., (hereinafter referred to as the "Interconnector"), and Public Service Company of New Hampshire, a New Hampshire corporation having its principal place of business in Manchester, New Hampshire (hereinafter referred to as "PSNH").

WHEREAS, Interconnector desires to interconnect its 140 kW photovoltaic generating facility as depicted in Attachment A hereto (the "Facility"), located in Somersworth, New Hampshire, with the electric system of PSNH in accordance with applicable New Hampshire Public Utilities Commission ("NHPUC") Orders and applicable laws; and

WHEREAS, Interconnector desires to, and PSNH agrees to, provide for the interconnection of the Facility with the electric system of PSNH, its successors and permitted assigns; and

WHEREAS, it is necessary that certain agreements be made prior to the interconnection of the Facility to ensure the safety, reliability and integrity of PSNH's electric system and the operation of the Facility;

NOW, THEREFORE, in consideration of the mutual promises set forth herein the parties do hereby agree as follows:

Article 1. Interconnection and Voltage Characteristics.

The interconnection point shall be that point at which the Facility interconnects with the 34.5 KV electric system of PSNH, as more fully described in Attachment A. Under this Agreement, the Interconnector shall receive and pay for the services necessary for the purpose of connecting the Facility with the PSNH electrical distribution system. The execution of this Agreement does not constitute a request for, or the provision of, transmission or distribution service. Interconnector is responsible for (a) all arrangements to effect any deliveries of electric energy from the Facility in accordance with the appropriate retail or FERC-jurisdictional tariffs and (b) arranging for its purchase of retail power (such as back-up or stand-by power). This Agreement does not cover sales of power, capacity, energy or market products generated from the Facility.

Unless PSNH converts its interconnection circuit, all electric energy delivered to PSNH's system from the Facility shall be 34.5 KV, three phase, sixty hertz.

Article 2. Interconnection and Protection Requirements.

Interconnector shall install or provide for the installation of all interconnection, protection, and control equipment as specified in the Interconnection Report ("Report") dated July 30, 2012, attached as Attachment A hereto, and incorporated herein by reference thereto, to ensure the safe and reliable operation of the Facility in parallel with the PSNH system. The Report may be modified from time to time in accordance with this Article 2 as set forth below, and to account for any modifications to the Facility as set forth in Article 5 below. The Interconnector will be responsible for all study costs associated with the development of the Report, and those costs associated with the equipment and its installation, required by the Report as set forth in Article 3 below. Metering of the output from the Facility shall be conducted pursuant to the terms of the Report.

The Interconnector may not operate the Facility in parallel with the PSNH System until: (a) the conditions for initial parallel operation of the Facility set forth in the Report have been met; (b) commissioning and testing of the Facility has been completed in accordance with the Report and to the satisfaction of PSNH; (c) the Interconnector has paid PSNH all funds due pursuant to Article 3 of this Agreement; (d) Interconnector has complied with the insurance requirements of Article 7; (e) Interconnector has provided PSNH a description of the Facility that incorporates all final design changes, including all design changes made during construction; and (f) PSNH has provided formal written authorization stating that operation of the Facility in parallel with the PSNH System is authorized by PSNH.

The Interconnector shall obtain each consent, approval, authorization, order or acceptance from FERC and/or ISO-NE necessary for the Interconnector or any entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with the Interconnector (each, an "*Affiliate*") to sell any power, capacity, energy or market products from the Facility into the wholesale power market prior to making any such wholesale sales. The Interconnector shall indemnify, defend and hold harmless PSNH, its trustees, directors, officers, employees, agents and affiliates from any costs, damages, fines or penalties, including

reasonable attorneys' fees, directly resulting from Interconnector's or its Affiliate's non-compliance with any provision of this Article 2; provided, however, that such indemnification obligation shall be subject to the limitation of liability set forth in Article 7.

Up to the interconnection point, unless otherwise provided for in the Report, all equipment shall be the sole property of Interconnector. Interconnector shall have sole responsibility for the operation, maintenance, replacement, and repair of the Facility, including the interconnection equipment owned by the Interconnector.

The Interconnection Report is subject to, and is based upon, current PSNH standards, as may be amended from time to time, regarding protection and control equipment requirements sufficient to ensure the safe and reliable operation of the PSNH electric distribution system. Interconnector hereby acknowledges that such PSNH standards are periodically reviewed and modified pursuant to standard utility practice, and that Interconnector is responsible for compliance with such standards, at its sole cost, as these standards may be modified from time to time. Additionally, the costs of any such review of the Interconnection Report in Attachment A performed by PSNH will be the responsibility of the Interconnector. Interconnector is responsible for any and all additional costs to ensure that all relevant protection and control equipment, software, hardware, and their capabilities meet then current PSNH standards for interconnection of generating facilities to the PSNH electric distribution system. PSNH will notify Interconnector if upgrades or changes to Interconnector's protection and control equipment are necessary by issuing a new or updated Interconnection Report. Within a mutually agreeable period following the issuance of a new or updated Interconnection Report the Interconnector shall modify the Facility, at the Interconnectors sole expense, to meet the revised requirements thereof. Any disputes will be addressed in accordance with Article 9 of this Agreement.

Prior to the interconnection to PSNH's system under this agreement, Interconnector shall have tested, and every twelve months thereafter, Interconnector shall test, or cause to be tested, all protection devices including verification of calibration and tripping functions; and Interconnector shall provide PSNH with a copy of the tests and results. The Interconnector shall ensure that any such test is performed by an individual or company that PSNH has authorized to perform the testing function.

If either party reasonably determines that the operation or use of any portion of the

protection system will or may not perform its protective function, Interconnector shall immediately open the interconnection between PSNH's system and the Facility. Interconnector shall promptly notify PSNH of this action and the reason for this action. The interconnection shall remain open until Interconnector has satisfactorily cured the defect. Any repair or replacement of Interconnector's equipment shall be at no cost to PSNH, except PSNH shall be responsible for any loss or damage requiring repair or replacement of all or a portion of the Interconnector's equipment as a result of the negligence or misconduct of PSNH, its agents or employees.

Article 3. General Payment Terms.

Interconnection Costs. The Interconnector is responsible for paying all costs associated with Interconnection of the Facility incurred by PSNH, including (a) testing costs, (b) costs associated with installing, testing and maintaining the communications infrastructure necessary to provide protection and/or monitoring of the Facility, (c) construction, modification and Upgrade costs (as defined in the paragraph below) necessary to accommodate the Interconnection, and (d) any ongoing maintenance costs and other charges deemed necessary by PSNH to maintain the Interconnection (all such costs described in this sentence, the "Interconnection Costs").

Distribution Upgrades. PSNH shall design, procure, construct, install, and own the distribution system upgrades described in the Report (the "Upgrade(s)"). The actual cost of the Upgrades, including overheads, shall be the sole responsibility of the Interconnector.

Initial Cost Estimate. The Report contains a good-faith estimate of the initial Interconnection Costs (the "Initial Cost Estimate").

Billing and Payment Procedures for Interconnection Costs. The Interconnector shall pay PSNH the amount set forth in the Initial Cost Estimate (the "Initial Payment") within thirty (30) days of the Effective Date, subject to extension by mutual agreement of the Parties. PSNH will not incur Interconnection Costs prior to receipt of the Initial Payment. Actual incurred Interconnection Costs may vary from those costs included in (a) the Report, or (b) the Initial Cost Estimate. PSNH shall invoice the Interconnector for all Interconnection Costs as such costs are incurred to the extent that they exceed the Initial Payment, and the Interconnector shall pay each such invoice

within thirty (30) days of receipt, or as otherwise agreed to by the Parties.

Within ninety (90) days following the date on which PSNH determines that PSNH has received all of the necessary information PSNH has requested from its employees, agents, contractors and/or subcontractors working on, or providing services in connection with, the design and construction of the Interconnection, PSNH shall provide the Interconnector with an accounting report detailing any Underpayment (as such term is defined below) or Overpayment (as such term is defined below) made by the Interconnector with respect to the Initial Payment (the "True-up Report"). To the extent that the actual Interconnection Costs accrued up to the date of the Initial Interconnection exceed the Initial Payment (an "Underpayment"), PSNH shall invoice the Interconnector for an amount equal to the Underpayment and the Interconnector shall pay such amount to PSNH within thirty (30) days of such invoice. To the extent that the Initial Payment exceeds the actual Interconnection Costs accrued up to the date of the Initial Interconnection (an "Overpayment"), PSNH shall refund to the Interconnector an amount equal to the Overpayment within thirty (30) days of the provision of the True-Up Report. Any and all Interconnection Costs incurred by PSNH after the date of the True-up Report shall be billed in accordance with this provision.

Taxes. The Parties shall comply with all applicable federal and state tax laws.

Article 4. Right of Access.

PSNH Right to Access. The Interconnector shall allow PSNH access to PSNH equipment and PSNH facilities located on the Facility's premises (the "*PSNH Property*"). To the extent that the Interconnector does not own all or part of the real property on which PSNH is required to locate PSNH Property in order to serve the Facility, the Interconnector shall procure and provide to PSNH all necessary rights, including easements, for access to PSNH Property. Additionally, PSNH shall have the right to enter the property of Interconnector at mutually agreed upon reasonable times and shall be provided reasonable access to Interconnector's metering, protection, control, and interconnection equipment to review for compliance with this Agreement. Upon request, PSNH shall provide Interconnector with a copy of any notes, reports or other documents made relating to any such inspection or review.

Isolation Device. PSNH shall have access to the Isolation Device (as described in the Report) of the Facility at all times. Interconnector is responsible for obtaining any and all property rights, including easements, which will permit PSNH access to such Isolation Device.

Right to Review Information. PSNH shall have the right to review and obtain copies of the Interconnector's operations and maintenance records, logs, or other information such as unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to the Facility or its Interconnection. PSNH shall treat such information as confidential and shall use such information solely for the purposes of determining compliance with the operating requirements of PSNH.

Article 5. Modification of Facility.

A description of the Facility as studied is contained in the Report. Any changes to the design of the Facility as it is described and specified in the Report with respect to such Facility must be approved by PSNH in writing prior to the implementation of such design changes. Only design changes approved in accordance with this Article 5 shall be implemented. If Interconnector plans any modifications to its Facility as described in Attachment A, which modifications would reasonably be expected to affect its interconnection with the PSNH System, Interconnector shall give PSNH ninety (90) day prior written notice of its intentions. PSNH will review the modifications at the Interconnectors expense and provide a written notice of approval or notification that the modification will require revised protection and control equipment. The cost of any and all upgrades to either the Facility interconnection equipment or the PSNH electric distribution system required to permit the Facility modification shall be the responsibility of the Interconnector.

Article 6. Term of Agreement.

This Agreement shall become effective between the parties on the date of execution of this agreement. This Agreement shall remain in full force and effect subject to the suspension and termination rights contained in this Article 6.

Interconnector may terminate this Agreement by giving PSNH not less than sixty (60) days prior written notice of its intention to terminate. PSNH may terminate the interconnection under this

Agreement by giving not less than sixty (60) days prior written notice should Interconnector fail to substantially perform with the interconnection, metering and other safety provisions of this Agreement, and such failure continues for more than sixty (60) days from date of notice without cure. The PSNH notice shall state with specificity the facts constituting the alleged failure to perform by Interconnector. If the parties are unable to reach agreement within 60 days on a cure for the failure to perform, either party may elect to submit the dispute to the NHPUC for resolution.

If changes in applicable federal or state statutes, regulations or orders; or changes in applicable ISO or NEPOOL requirements occur which materially affect this Agreement, the parties shall negotiate in good faith to modify this Agreement to accommodate such changes. If the parties are unable to reach agreement within 60 days, either party may elect to submit the dispute to the NHPUC for resolution.

PSNH may also terminate its obligation contained in this Agreement if applicable laws, regulations and orders mandating interconnections from qualifying facilities are repealed, or declared invalid by a Court or Regulatory Agency, and no revised law is enacted providing for such interconnection on a similar basis.

After termination of this Agreement, both parties shall be discharged from all further obligations under the terms of this Agreement, excepting any liability which may have been incurred before the date of such termination. Any reasonable costs incurred by PSNH to physically disconnect the Facility as a result of the termination of this Agreement shall be paid by the Interconnector.

Article 7. Insurance, Performance Assurance, Indemnification & Limitation of Liability.

A. Insurance Requirements.

General Liability. In connection with the Interconnector's performance of its duties and obligations under this Agreement, the Interconnector shall maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:

One million dollars (\$1,000,000) per occurrence and in the aggregate for bodily injury and/or property damage claims where the gross nameplate rating of the Facility is less than or equal to an aggregate of 500 KW;

Three million dollars (\$3,000,000) per occurrence and in the aggregate for bodily injury and/or property damage claims where the gross nameplate rating of the Facility is greater than 500 KW.

Insurer Requirements and Endorsements. All insurance required pursuant to this Article 7 A. shall be carried by insurers qualified to underwrite insurance in New Hampshire with an A.M. Best rating of A- or better. In addition, all insurance shall: (a) include PSNH as an additional insured; (b) contain a severability of interest clause or cross-liability clause unless the Interconnector is a residential customer; (c) provide that PSNH shall not be liable to the insurance carrier with respect to the payment of premium for such insurance; and (d) provide for written notice to PSNH thirty (30) days prior to cancellation, termination, or material change of such insurance.

Evidence of Insurance. If insurance similar to the insurance provided by this endorsement is held by the additional insured noted above, the insurance provided by this endorsement is primary to that other insurance, and that other insurance shall not contribute to amounts payable under the insurance provided by this endorsement.

Prior to PSNH commencing any work on system modifications, the Interconnector shall have its insurer provide to PSNH certificates of insurance evidencing the insurance coverage required pursuant to this Article 7 A. Such certificates shall clearly indicate that such insurance policy is written on an "occurrence made" basis. PSNH may, at its discretion, require the Interconnector to maintain tail coverage with respect to any policy written on a "claims-made" basis for a period of three years after expiration or termination of such policy.

All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to PSNH.

B. Indemnification.

Indemnification of PSNH. Subject to the limitation of liability set forth in Article 7 C., the Interconnector shall indemnify, defend and hold harmless PSNH and its trustees, directors, officers, employees and agents (including affiliates, contractors and their employees) from and against any liability, damage, loss, claim, demand, complaint, suit, proceeding, action, audit, investigation, obligation, cost, judgment, adjudication, arbitration decision, penalty (including fees and fines), or expense (including court costs and attorneys' fees) relating to, arising from or connected to this Agreement.

Indemnification of the Interconnector. Subject to the limitation of liability set forth in Article 7 C., PSNH agrees to indemnify, defend and hold harmless the Interconnector, its trustees, directors, officers, employees and agents (including Affiliates, contractors and their employees), from and against any and all damages for personal injury (including death) or property damage to unaffiliated third parties arising from any and all actions relating to or arising out of any material failure by PSNH to operate its system in such a manner so as to not unreasonably interfere with the operation of the Facility.

Survival of Indemnification. The indemnification obligations of each Party set forth in this Article 7 B. shall continue in full force and effect regardless of whether this Agreement has expired or been terminated, defaulted or cancelled and shall not be limited in any way by any limitation on insurance.

C. Limitation of Liability.

Except with respect to a Party's fraud or willful misconduct, and except with respect to damages sought by a third party in connection with a third party claim: (a) neither Party shall be liable to the other Party, for any damages other than direct damages; and (b) each Party agrees that it is not entitled to recover and agrees to waive any claim with respect to, and will not seek, consequential, punitive or any other special damages as to any matter under, relating to, arising from or connected to this Agreement.

Article 8. Force Majeure.

Neither party shall be considered to be in default hereunder and shall be excused from performance hereunder if and to the extent that it shall be prevented from doing so by storm, flood, lightning, earthquake, explosion, equipment failure, civil disturbance, labor dispute, act of God or the public enemy, action of a court or public authority, withdrawal of equipment from operation for necessary maintenance and repair, or any other cause beyond the reasonable control of either party and not due to the fault or negligence of the party claiming force majeure, provided that the party claiming excuse from performance uses its best efforts to remedy its inability to perform.

Article 9. Dispute Resolution and Voluntary Arbitration.

In the event of any dispute, disagreement, or claim (except for disputes referred to the NHPUC under Article 6 of this Agreement) arising out of or concerning this Agreement, the Party that believes there is such a dispute, disagreement, or claim will give written notice to the other Party of such dispute, disagreement, or claim. The affected Parties shall negotiate in good faith to resolve such dispute, disagreement, or claim. If such negotiations have not resulted in resolution of such dispute to the satisfaction of the affected Parties within twenty (20) working days after notice of the dispute has been given, then an affected Party may submit such dispute, disagreement, or claim arising out of or concerning this Agreement to the NH PUC for resolution in accordance with Order 14,797 in DE 80-246. Upon mutual agreement of the Parties, a dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below. In the event the Parties do not agree to submit such claim or dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this Agreement.

The arbitration proceeding shall be conducted by a single arbitrator, appointed by mutual agreement of the affected Parties, in Manchester, New Hampshire, under the Commercial Arbitration Rules of the American Arbitration Association in effect at the time a demand for arbitration under such rules was made. In the event that the affected Parties fail to agree upon a single arbitrator, each shall select one arbitrator, and the arbitrators so selected shall, within twenty (20) days of being selected, mutually select a single arbitrator to govern the arbitration. A decision and award of the arbitrator made under the Rules and within the scope of his or her jurisdiction shall be exclusive, final, and binding on all Parties, their successors, and assigns. The costs and expenses of the arbitration shall be allocated equitably amongst the affected Parties, as determined by the arbitrator(s). Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Each Party hereby consents and submits to the jurisdiction of the federal and state courts in the State of New Hampshire for the purpose of confirming any such award and entering judgment thereon.

Article 10. Operating Requirements.

General Operating Requirements. The Interconnector shall construct, interconnect, operate, and maintain the Facility and all accompanying and necessary facilities in accordance with (a) all applicable laws and requirements and, "Good Utility Practice" (as defined in Section I of the ISO New England Inc., Transmission, Markets and Services Tariff, FERC Electric Tariff No. 3); and (b) ISO-NE operating requirements in effect at the time of construction and other applicable national and state codes and standards. Following the initial Interconnection of the Facility, the Interconnector shall comply with all special operating requirements set forth in the Report. In the event that PSNH believes that the cause of any problem to PSNH originates from the Facility, PSNH has the right to install monitoring equipment at a mutually agreed upon location to determine the exact cause of the problem. The cost of such monitoring equipment shall be borne by PSNH, unless such problem or problems are demonstrated to be caused by the Facility or if the test was performed at the request of the Interconnector in which case the costs of the monitoring equipment shall be borne by the Interconnector. If the operation of the Facility interferes with PSNH's or its customers' operations, the Interconnector must immediately take corrective action to stop such interference and shall not operate the Facility until such time as such interference is stopped. If the Interconnector fails to take immediate corrective action pursuant to the preceding sentence, then PSNH may disconnect the Facility in accord with Good Utility Practice.

No Adverse Effects; Non-interference. PSNH shall notify the Interconnector if PSNH has evidence that the operation of the Facility could cause disruption or deterioration of service to other customers served from PSNH's system or if operation of the Facility could cause damage to the PSNH system or other affected systems. (For example, deterioration of service could be caused by, among other things, harmonic injection in excess of IEEE STD 519, as well as voltage fluctuations caused by large step changes in loading at the Facility.) The Interconnector shall cease operation of the Facility until such time as the Facility can operate without causing disruption or deterioration of service to other customers served from the PSNH system or causing damage to the PSNH system or other affected systems. Each Party shall promptly notify the other Party in writing of any condition or occurrence relating to such Party's equipment or facilities which, in such Party's reasonable judgment, could adversely affect the operation of the other Party's equipment or facilities.

PSNH shall operate its system in such a manner so as to not unreasonably interfere with the operation of the Facility. The Interconnector shall protect itself from normal disturbances propagating through the PSNH system in accordance with Good Utility Practice. Examples of such normal disturbances include single-phasing events, voltage sags from remote faults on PSNH system, and outages on the PSNH system.

Safe Operations and Maintenance. The Interconnector shall operate, maintain, repair, and inspect, and shall be fully responsible for, the Facility or facilities that it now or hereafter may own unless otherwise specified in this Agreement or the Report. Each Party shall be responsible for the maintenance, repair and condition of its respective lines and appurtenances on such Party's respective side of the interconnection point. PSNH and the Interconnector shall each provide equipment on its respective side of the interconnection point that adequately protects the PSNH system, personnel, and other persons from damage and injury. If PSNH has constructed or owns equipment or facilities, other than Upgrades, that were required solely as a result of the Interconnection, then, unless otherwise documented in the Report, the costs associated with the operation, maintenance, repair and replacement of such equipment or facilities shall be the ongoing responsibility of the Interconnector and the Interconnector shall reimburse PSNH such costs.

Ongoing Maintenance; Testing of the Facility. The Parties hereby acknowledge and agree that maintenance testing of the Facility's protective relaying is imperative for safe, reliable operation of the Facility. The test cycle for such protective relaying shall not be less frequent than once every twelve (12) calendar months or the manufacturer's recommended test cycle, whichever is more frequent. The Interconnector shall provide copies of these test records to PSNH within thirty (30) days of the completion of such maintenance testing. PSNH may disconnect the Facility from the PSNH system if the Interconnector fails to adhere to these standards. The Interconnector is responsible for all ongoing maintenance costs associated with the Facility.

Article 11. Disconnection.

A. Temporary Disconnection.

Emergency Conditions. PSNH may immediately and temporarily disconnect the Facility from the PSNH system without prior notification in cases where, in the reasonable judgment of PSNH, the continued connection of the Facility is imminently likely to (a) endanger persons or damage property or (b) cause an adverse effect on the integrity or security of, or damage to, the PSNH system or to other electric power systems to which the PSNH system is directly connected (each, an "*Emergency Condition*"). After temporary disconnection or suspension pursuant to this paragraph, the Facility may not be reconnected or resume operation until PSNH and Interconnector are both satisfied that the cause of such Emergency Condition has been corrected. If the Interconnector fails to correct the Emergency Condition within ninety (90) days from the time that PSNH has temporarily disconnected the Facility due to such an event, PSNH may elect to terminate this Agreement and/or permanently disconnect the Facility.

Routine Maintenance, Construction and Repair. PSNH shall have the right to disconnect the Facility from the PSNH system when necessary for routine maintenance, construction and repairs to the PSNH system. PSNH shall provide the Interconnector with notice of such disconnection, consistent with PSNH's Planned and Unplanned Outage Scheduling Procedure. If the Interconnector requests disconnection by PSNH, the Interconnector will be provided with information regarding PSNH scheduling practices. Such disconnection shall be scheduled in accordance with PSNH's Planned and Unplanned Outage Scheduling Procedure. PSNH shall make reasonable efforts to work with Interconnector to schedule a mutually convenient time or times to temporarily disconnect the Facility pursuant to this paragraph.

Forced Outages. During any forced outage, PSNH shall have the right to temporarily disconnect the Facility from the PSNH system in order to affect immediate repairs to the PSNH system. PSNH shall use reasonable efforts to provide the Interconnector with prior notice of such temporarily disconnection; provided, however, PSNH may temporarily disconnect the Facility from the PSNH system without such notice pursuant to this paragraph in the event circumstances do not permit such prior notice to the Interconnector.

Non-Emergency Adverse Operating Effects. PSNH may temporarily disconnect the Facility if it is having a non-emergency adverse operating effect on the PSNH system or on other customers (a "*Non-Emergency Adverse Operating Effect*") if the Interconnector fails to correct such Non-

Emergency Adverse Operating Effect within forty-five (45) days of PSNH's written notice to the Interconnector requesting correction of such Non-Emergency Adverse Operating Effect. If the Interconnector fails to correct a Non-Emergency Adverse Operating Effect within ninety (90) days from the time that PSNH has temporarily disconnected the Facility due to such an event, PSNH may elect to terminate this Agreement and/or permanently disconnect the Facility.

Modification of the Facility. PSNH has the right to immediately suspend Interconnection service and temporarily disconnect the Facility in the event any material modification to the Facility or the Interconnector's Interconnection facilities has been implemented without prior written authorization from PSNH.

Re-connection. Any temporary disconnection pursuant this Article 11 shall continue only for so long as is reasonably necessary. The Interconnector and PSNH shall cooperate with each other to restore the Facility and the PSNH system, respectively, to their normal operating states as soon as reasonably practicable following the correction of the event that led to the temporary disconnection.

B. Permanent Disconnection.

The Interconnector may permanently disconnect the Facility at any time upon thirty (30) days prior written notice to PSNH. PSNH may permanently disconnect the Facility upon termination of this Agreement in accordance with Article 6. PSNH may permanently disconnect the Facility in the event the Interconnector is unable to correct an Emergency Condition or a Non-Emergency Adverse Operating Effect in accordance with this Article 11.

Article 12. Modification of Agreement.

In order for any modification to this Agreement to be binding upon the parties, said modification must be in writing and signed by both parties.

Article 13. Confidentiality.

PSNH shall maintain the confidentiality of information provided from the Interconnector to PSNH if such information is clearly marked and labeled "Confidential" (the "*Confidential Information*"). Confidential Information shall not include information that (a) is or hereafter becomes part of the public domain, (b) previously was in the possession of PSNH, or (c) PSNH is required to disclose pursuant to a valid order of a court or other governmental body or any political subdivision thereof; provided, however, that to the extent that it may lawfully do so, PSNH shall first have given notice to the Interconnector and given the Interconnector a reasonable opportunity to interpose an objection or obtain a protective order requiring that the Confidential Information and/or documents so disclosed be used only for the purpose for which the order was issued; provided further that if such Confidential Information is requested or required by the NHPUC, PSNH shall seek protective treatment of such Confidential Information.

Article 14. Permits and Approvals.

The Interconnector is responsible for obtaining all environmental and other permits required by governmental authorities for the construction and operation of the Facility (each, a "*Required Permit*"). PSNH assumes no responsibility for obtaining any Required Permit, advising the Interconnector with respect to Required Permits, or assuring that all Required Permits have been obtained by the Interconnector. Upon written request of PSNH, the Interconnector shall promptly provide to PSNH a copy of any Required Permit.

Article 15. Default and Remedies.

A. Defaults. Each of the following shall constitute an "*Event of Default*."

(i) A Party fails to pay any bill or invoice for charges incurred pursuant to this Agreement or any other amount due from such Party to the other Party as and when due, any such failure shall continue for a period of thirty (30) days after written notice of nonpayment from the affected Party to the defaulting Party; provided, however, if such Party disputes such bill, invoice or other amount

due in good faith, then such failure to pay shall not constitute an Event of Default and the Parties shall resolve such dispute in accordance with Article 9;

(ii) A Party (a) fails to comply with any other provision of this Agreement or breaches any representation or warranty in any material respect and (b) fails to cure or remedy such failure or breach within sixty (60) days after notice and written demand by the other Party to cure the same or such longer period reasonably required to cure the same (not to exceed an additional ninety (90) days unless otherwise mutually agreed upon, provided that the failing or breaching Party diligently continues to cure until such failure or breach is fully cured). This provision pertains only to cure periods not specifically addressed elsewhere in this Agreement;

(iii) Interconnector modifies the Facility or any part of the Interconnection without the prior written approval of PSNH; or

(iv) A Party fails to perform any obligation hereunder in accordance with (a) applicable laws and regulations, (b) the ISO-NE operating documents, procedures, and reliability standards, and (c) Good Utility Practice.

B. Remedies. Upon the occurrence of an Event of Default, the non-defaulting Party may, at its option, in addition to any remedies available under any other provision herein, do any, or any combination, as appropriate, of the following: (a) continue to perform and enforce this Agreement; (b) recover damages from the defaulting Party except as limited by this Agreement; (c) by written notice to the defaulting Party terminate this Agreement; or (d) pursue any other remedies it may have under this Agreement or under applicable law or in equity.

Article 16. Prior Agreements Superseded.

Once effective, this Agreement with Attachment A represents the entire agreement between the parties with respect to the interconnection of the Facility with the PSNH electric system and, as between Interconnector and PSNH, all previous agreements including previous discussion, communications and correspondence related thereto are superseded by the execution of this Agreement.

Article 17. Waiver of Terms or Conditions.

The failure of either party to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall remain at all times in full force and effect. Any waiver is only effective if given to the other party in writing.

Article 18. Binding Effect; Assignment

This Agreement shall be binding upon, and shall inure to the benefit of, the respective successors and permitted assigns of the parties hereto. PSNH shall not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of Interconnector except to a successor-in-interest. PSNH shall provide written notice to Interconnector of any such assignment to a successor-in-interest within fifteen (15) days following the effective date of the assignment. Interconnector shall have the right to assign this Agreement to any person or entity that is a successor-in-interest to the Facility without the consent of PSNH. In the event of any such assignment, Interconnector shall notify PSNH in writing within fifteen (15) days following the effective date of the assignment. Interconnector may make such other assignment of this Agreement as it determines, subject to the prior written consent of PSNH, which consent shall not be unreasonably withheld or delayed. Any assignment in violation of this Article shall be void at the option of the non-assigning party.

Article 19. Applicable Law.

This Agreement is made under the laws of the State of New Hampshire and, to the extent applicable, the Federal Power Act, and the interpretation and performance hereof shall be in accordance with and controlled by such laws, excluding any conflicts of law provisions of the State of New Hampshire that could require application of the laws of any other jurisdiction.

Article 20. Changes in State Regulations or Law.

Upon thirty (30) days prior written notice, PSNH may terminate this Agreement if there are any changes in NHPUC regulations or New Hampshire law that affects PSNH's ability to perform its obligations under this Agreement.

Article 21. Headings.

Captions and headings in the Agreement are for ease of reference and shall not be used to and do not affect the meaning of this Agreement.

Article 22. Notices and Service.

All notices, including communications and statements which are required or permitted under the terms of this Agreement, shall be in writing, except as otherwise provided or as reasonable under the circumstances. Service of a notice may be accomplished and will be deemed to have been received by the recipient party on the day of delivery if delivered by personal service, on the day of confirmed receipt if delivered by telecopy, registered or certified commercial overnight courier, or registered or certified mail or on the day of transmission if sent by telecopy with evidence of receipt obtained, and in each case addressed as follows:

Interconnector:	Favorite Foods Inc. 29 Interstate Drive Somersworth, NH 03878 Attention: Mr. Chris Barstow, President
PSNH:	Public Service Company of New Hampshire 780 North Commercial Street P. O. Box 330 Manchester, NH 03105-0330 Richard C. Labrecque Manager, Supplemental Energy Sources Department

Article 23. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all counterparts so executed shall constitute one agreement binding on all of the Parties hereto, notwithstanding that all of the Parties are not signatories to the same counterpart. Facsimile counterparts may be delivered by any Party, with the intention that they shall have the same effect as an original counterpart hereof.

Article 24. Signatures.

Each Party hereby signifies its agreement to the all of the terms of this Agreement by its signatures hereto. Each Party represents that it has carefully reviewed this Agreement individually and with counsel and that it has knowingly and willingly executed this Agreement.

IN WITNESS WHEREOF, the parties, each by its duly authorized representative, have hereunto caused their names to be subscribed, as of the day and year first above written.

Interconnector

Signature: Chris Barstow
Name: CHRIS BARSTOW
Title: PRESIDENT, CEO
Duly Authorized

Public Service Company of New Hampshire

Signature: Gary A. Long
Name: GARY A. LONG
Title: PRESIDENT & COO - PSNH
Duly Authorized